8801. Also, petition of Middlesex Presbyterian Church, R. F. D. 6, Butler, Pa., and Eliza Thompson Woman's Christian Temperance Union, Mrs. I. J. Maharg, president, opposing repeal of the eighteenth amendment and modification of the Volstead Act; to the Committee on the Judiciary.

8802. By the SPEAKER: Resolution adopted by the League of Municipalities of the South San Joaquin Valley; to the Committee on Expenditures in the Executive Depart-

ments.

8803. Also, petition of Farmers National Relief Confer-

ence; to the Committee on Agriculture.

8804. Also, petition of International Engineer of Joy, 673 West Fayette Street, Baltimore, Md.; to the Committee on Ways and Means.

# HOUSE OF REPRESENTATIVES

SATURDAY, DECEMBER 10, 1932

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Again, Blessed Lord, the silver cord which binds us to Thy feet has not been broken. It is as immovable as the outlines of the earth itself. As we are crowned with the divinity of mind and heart, may our intellects hunger for knowledge and wisdom and our hearts for righteousness and let not the gloom of discouragement hang over us. Our Father, impress us that there is a singular dignity and purity that lie on the brow of a good man. May we show forth in our careers the fruits of these fine achievements. Ever lead us toward the wealth of Christian character, stimulating us always by the vision of the highest forms of service to the Republic. Grant this, our Heavenly Father, for Thy glory and for our sakes and unto Thee be eternal praises. Amen.

The Journal of the proceedings of yesterday was read and approved.

CLOSING OF UNNECESSARY STREETS IN THE DISTRICT OF COLUMBIA

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 8995) to authorize the Commissioners of the District of Columbia to readjust and close streets, roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes, and ask unanimous consent that the bill (S. 3532), a similar Senate bill, may be considered in lieu of the House bill.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill (S. 3532) may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection?

Mr. STAFFORD. Mr. Speaker, a bill of this importance, taking away legislative jurisdiction of Congress over the closing of streets in the District of Columbia, is too important, in my judgment, to be rushed through the House, and therefore I am constrained to object.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (S. 3532) to authorize the Commissioners of the District of Columbia to readjust and close streets, roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (S. 3532), with Mr. Browning in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Without objection, the first reading of the bill will be dispensed with.

There was no objection.

Mrs. NORTON. Mr. Chairman, the importance of this bill is obvious. Every time the Commissioners of the District of Columbia find it necessary to close a street permission must be granted by the Congress. Very often this happens when Congress is not in session and delays important work in the District.

The bill, as drawn, safeguards the property owners as

described on page 2 of the bill.

The bill also has the unanimous support of the Committee on the District of Columbia and has the approval of all the public officials of the District; in fact, we found no opposition to the bill.

This question has been before the House on various occasions, and I sincerely hope it may be able to pass the bill to-day. We have very little time in this short session, and this is a matter of great importance to the safe conduct of the business of the District.

I trust there will be no objection to the bill.

I reserve the balance of my time, Mr. Chairman. Mr. STAFFORD. Mr. Chairman, I ask recognition.

The CHAIRMAN. The gentleman from Wisconsin is recognized for one hour.

Mr. STAFFORD. Mr. Chairman, I shall use only a bare fraction of the time accorded me to present some views in opposition to the bill under consideration.

The bill, for the first time in the history of our Government, seeks to take away the right of the Congress, as a legislative branch, to determine or pass upon the question of the feasibility of closing streets and alleys in the District of Columbia.

It is acknowledged that under the terms of this bill we are transferring to the Commissioners of the District absolute power to determine whether any alleys or any streets in the District should be closed. If it is the wish of the Congress to surrender absolutely the determination of the entire problem, to close streets throughout the District, for instance, on the Mall, down along the waterfront—for them to determine whether those streets should on their own determination be closed, then I will have to yield.

I think that before Congress should surrender to the commissioners that absolute power, we should hesitate a moment

and consider what effect may result therefrom.

I know of no instance where there has been a meritorious proposition brought before Congress that Congress has not acted upon the matter and approved of the recommendations of the commissioners. But I submit, gentlemen, that we are delegating to the commissioners a considerable power when we allow them to say how and when an avenue or street shall be changed.

The real persons back of the proposal are the designers and planners of the District. They wish in the outlying districts to have carte blanche in recommending streets as they have been laid out on the plats and maps, adding new avenues, closing alleys, and the like.

In the last Congress the able assistant of the Chief of Public Buildings and Grounds did me the honor to call at

my office and ask my views on this bill.

If I had not recalled a notable instance in my own city where a large property owner, owning both sides of the alley in a down-town district, wanted to have the alley closed, which met with the opposition of the chief of the fire department because it was essential for fire protection—if I had not had that actual case called to my attention I might not be so strongly protesting against this bill.

Under this bill, if the adjacent property owners agree, there is no contest and the alley is closed; there is no appeal to the courts to determine whether there is any political reason why that alley should be closed or why the street should be closed—we surrender the legislative determination absolutely to the commissioners when we pass this bill.

I know the temper of the House, that it would like to get rid of small matters and be relieved of the burden of these questions; but I question whether as far as the planning of the District of Columbia is concerned, we should surrender pense of wasteful and imperfect planning. In many cases that privilege so that Congress will have no determination or voice in the matter.

I merely took the time to present my views on this allimportant question, believing as I do that Congress should not surrender this authority.

Mr. Chairman, I reserve the balance of my time.

Mrs. NORTON. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL].

Mr. UNDERHILL. Mr. Chairman, this bill only accomplishes something that has been needed for a long time in this District, and I hope the committee will bring in more bills of a similar character. I served eight or nine years on the District of Columbia Committee, and we brought in bills which took the time of Congress that had no place in this body and which should have been left to the decision of the District Commissioners. Why, they could not open a grave in the District of Columbia without coming to Congress for permission to do so.

There is not a municipal organization in the length and breadth of this country that is so hamstrung as are the District Commissioners in having to bring minor matters before Congress. The District does not have any more time allotted to it in Congress than it deserves, and surely not enough to handle all of the big problems which confront

the District and upon which Congress has to act.

The opposition of the gentleman from Wisconsin [Mr. STAFFORD] is based upon one incident which occurred in his home city. We are importuned time and again to pass legislation in Congress because of some individual case or some evil in some locality that some one seeks to correct through action of Congress. It is ridiculous to take the time of Congress with such things, when we have so little time to consider matters of great importance. Each time the necessities of the District require that an alley be closed or a street opened or some little minor matter of detail attended to in the conduct of the affairs of the District, which should be taken care of not by the commissioners, but by some superintendent of streets or some head of a department, it is ridiculous to have to bring such things before the Congress and have it act upon them. I appreciate the efforts of the gentleman from Wisconsin [Mr. STAFFORD] and his watchfulness and care over all matters which come before Congress, but in this instance I know from personal experience that he is very much mistaken. I hope the bill will pass and, in consequence, that Congress may be relieved of these minor details, which have no place

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Chairman, the object of this bill is to give the District Commissioners the same power and authority that the city councils already have in the various cities of the country. It permits these commissioners to close certain streets and alleys after a public hearing. Section 2 of the bill requires that the commissioners shall hold a public hearing in advance of the proposed closing of any street, alley, and so forth, and that notice of an intention to close must be given in advertisements and by registered mail to the owners of property abutting the place to be closed. At this time we have numerous bills on this subject pending before this committee. This will permit us to take up more time on other and more important matters if this general bill passes. We have looked into the matter very carefully, and the committee is unanimously of the opinion that the bill should pass.

At the present time a number of these individual street and alley closing bills are before Congress.

Desirable changes in the highway plan of the District, which frequently involves closing of parts of streets or alleys, likewise are delayed until specific authority for such closing is granted by an act of Congress.

There are in the District numerous dead-end streets, extension of which is impossible; a considerable number of abandoned streets and alleys; and other thoroughfares which can not be included in the highway plan except at the ex- motion, without the intervention of Congress, a great num-

the thoroughfares have never been improved or used. There are scores of streets and alleys laid out on the maps of the District surveyor which are now only evidences of unsuccessful subdivision developments. They can never be used, due to subsequent development, but must be carried on the maps until closed by the commissioners.

I hope that the committee acts upon this bill favorably. Mr. STAFFORD. Mr. Chairman, I yield 15 minutes to the

gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I do not oppose the present bill; but because I shall be forced to leave the Chamber to attend a committee meeting, I call attention to two bills that might be called up which I think ought not to pass. One is H. R. 10488-

Mrs. NORTON. Mr. Chairman, will the gentleman yield? Mr. BLANTON. Certainly. Mrs. NORTON. I do not intend to call that bill up to-day.

Mr. BLANTON. Then I shall not discuss it. The other bill that I wish to call to the attention of the House is H. R. 8911, to grant another Federal charter-

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Certainly.

Mrs. NORTON. I do not intend to call that bill up to-day. Mr. BLANTON. Then I shall not discuss it.

I feel encouraged, Mr. Chairman, that our District Committee is using wise judgment in not calling up bills which involve bad precedents. I hope Congress will not grant any more Federal charters. If any Member has any doubt as to the wisdom of the Federal Government's granting charters. I hope he will read the unanswerable speech made here on the floor by our former distinguished colleague, the gentleman from Illinois, Mr. James R. Mann, now deceased; and, strange to say, the other most valuable speech on that subject was made by another Illinois colleague, the former distinguished Speaker of this House, familiarly known as Uncle Joe Cannon.

Those two speeches are unanswerable. We must not grant any more Federal charters.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. BLACK].

Mr. BLACK. Mr. Chairman, I can well understand why my friend, the gentleman from Texas, refers to the men in the press gallery as his good friends. I can not think of any better act of friendship that could be shown the gentleman from Texas by the men in the press gallery than that of refusing to send his speeches into his district. [Laughter.]

It reminds me of a situation of my own when I was a young man breaking into politics, like my friend from Texas. [Laughter.] In the New York State Legislature I had made a speech one day in my first year. I did not like the way the veteran reporter of the New York Sun, Joe McAntee, carried the speech in the Sun, and the next day I said, "Joe, I thought you were a good friend of mine." He said, "I am. What did I do to you?" I said, "You did not quote me properly yesterday." He said, "I want to tell you something, young fellow. Any time I misquote you, I misquote you to your own advantage." [Laughter.]

I can readily see the reason why the gentleman from Texas has to speak for the mothers.

I do not suppose Texas will ever get rid of either Blanton or "Ma" Ferguson. [Laughter.]

I happen to be on two committees, Claims and the District of Columbia, to which are referred a great number of bills Congress should never be bothered with. This bill provides for the closing of streets in the District of Columbia. It is highly absurd that the Congress of the United States, carrying on its shoulders the weighty problems of the country, should have to pass separate acts every time the District Commissioners require a blind alley to be closed in Washington, or some side street that does not mean anything.

This piece of legislation confers jurisdiction on the Commissioners of the District of Columbia to close, on their own ber of these alleys and dead ends we see around us. We all | know how Washington is afflicted with blind alleys, some of the blind alleys leading to nothing but blind pigs. We find little dead-end streets all over the District of Columbia. Some of them ought to be called the Private Calendar which is the greatest dead end in the world. Whenever a bill from the Committee on Claims gets onto the Private Calendar it runs into Mr. STAFFORD. The Private Calendar becomes the dead end for all those bills.

This bill provides the procedure for closing on notice of streets that should be closed or streets it is necessary to close for better city planning. It provides that on the closing of the streets the property taken in the closing reverts to the abutting owners. It provides for damages and assessment for benefits. It relieves us of numerous small bills that come to the District Committee and come to Congress on these very unimportant matters that take up so much of the time of the House which might better be devoted to other purposes. There is no reason in sound sense why Congress should not confer the jurisdiction asked for in this bill on the District Commissioners.

The Clerk read the bill for amendment, as follows:

The Clerk read the bill for amendment, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close any street, road, highway, or alley, or any part of any street, road, highway, or alley, in the District of Columbia when, in the judgment of said commissioners, such street, road, highway, or alley, or such part of a street, road, highway, or alley, has been rendered useless or unnecessary, the title to the land embraced within the public space so closed to revert to the owners of the abutting property subject to such compensation therefor in money, land, or structures as the Commissioners of the District of Columbia, in their judgment, may find just and equitable, in view of all the circumstances of the case affecting near-by property of abutters and/or nonabutters: Provided, That if the title to such land be in the United States the property shall not revert to the owners of the abutting property but may be disposed of by the said commissioners to the best advantage of the locality and the properties therein and thereby affected, which properties thenceforth shall become assessable on the books of the tax assessor of the District of Columbia in all respects as other private property in the District, or also said property be sold as provided in section 1608-a of the Code of Law for the District of Columbia, unless the use of such land is requested by some other department, bureau, or commission of the Government of the United States for purposes not otherwise inconsistent with the proper development of the District of Columbia: Provided further, That the said closing by said commissioners is made expedient or advisable by reason of change in the highway plan or by reason of provision for access or better access to the abutting or near-by property and the convenience of the public by other street, road, highway, or alley, or part of a street, road, highway, or alley, or part of a street, road, highway, or alley, or proposed to be closed or for Be it enacted, etc., That the Commissioners of the District of ther, That the proposed closing of any street, road, highway, or alley, or any parts thereof, as provided for in this act, shall be referred to the National Capital Park and Planning Commission

referred to the National Capital Park and Planning Commission for its recommendation.

SEC. 2. That whenever a street, road, highway, or alley, or a part of a street, road, highway, or alley, is proposed to be closed under the provisions of this act, the Commissioners of the District of Columbia shall cause public notice of intention to be given by advertisement for not less than 14 consecutive days, exclusive of Sundays and holidays, in a daily newspaper of general circulation printed and published in the District of Columbia, to the effect that a public hearing will be held at a time and place stated in the notice for the hearing of objections, if any, to such closing. The said commissioners shall, not later than 14 days in advance of such hearing, serve notice of such hearing, in writing, by registered mail, on each owner of property abutting the street, road, highway, or alley, or part thereof, proposed to be closed, or if the owner can not be located the advertisement provided for above shall be deemed sufficient legal notice. At such hearing a map shall be deemed sufficient legal notice. At such hearing a map showing the proposed closing shall be exhibited, and the property owners or their representatives and any other persons interested shall be given an opportunity to be heard.

SEC. 3. After such public hearing the said commissioners, if they

SEC. 3. After such public hearing the said commissioners, if they are satisfied that the proposed closing will be in the public interest and that such closing will not be detrimental to the rights of the owners of the property abutting on the street, road, highway, or alley, or part of a street, road, highway, or alley proposed to be closed, nor cause unreasonable inconvenience to or adverse effect upon the owner or owners of any property abutting on streets connected therewith, nor unreasonably infringe the rights of the public to use such street, road, highway, or alley, shall cause to be prepared a plat or plats showing the street, road, highway, or alley, or part thereof, proposed to be closed and the area to be apportioned to each owner of property abutting thereon: *Provided*,

That if the approval of the proposed closing by the said commissioners shall be conditioned upon the dedication of any other areas for street, highway, or alley purposes, and/or the retention by the District of Columbia of specified rights of way for any public purpose, and/or any other reservations deemed expedient or advisable by said commissioners, such plat or plats shall also show the parcels of land so dedicated and/or the reserved rights of way and/or cels of land so dedicated, and/or the reserved rights of way, and/or such additional area affected by said closing, with alternative openings occasioned thereby, and/or by certificate thereon any such reservations deemed expedient or advisable by the said Commissioners of the District of Columbia.

missioners of the District of Columbia.

SEC. 4. If, after such hearing, the commissioners are of the opinion that any street, road, highway, or alley, or part thereof, should be closed, they shall prepare an order closing the same and shall cause public notice of such order to be given by advertisement for 14 consecutive days, exclusive of Sundays and legal holidays, in at least two daily newspapers of general circulation printed and published in the District of Columbia, and shall serve a copy of such order on each property owner abutting the street, road, highway, or alley, or part thereof, proposed to be closed by such order, and copy of such order shall be served on the owners in person or by registered mail delivered at the last known residence of such owners, or if the owner can not be located the advertisement provided for above shall be deemed sufficient legal notice; or if he be a nonresident of the District of Columbia, by sending a copy thereof by registered mail to his last known place of ad-If he be a nonresident of the District of Columbia, by sending a copy thereof by registered mail to his last known place of address: *Provided*, That if no objection in writing be made to the commissioners by any party interested within 30 days after the service of such order, then the said order shall immediately become effective; and the said order and plat or plats as provided for herein shall be ordered by the Commissioners of the District of Columbia recorded in the office of the surveyor of the District of Columbia

SEC. 5. When any such objection shall be filed with the commissioners as provided in the foregoing section, then the Commissioners of the District of Columbia shall institute a proceeding in rem in the Supreme Court of the District of Columbia for the closing of such street, road, highway, or alley, or part thereof, and its abandonment for street, highway, or alley purposes, and for the ascertainment of damages and the assessment of benefits resulting from such closing and abandonment. Such proceeding shall be conducted in like manner as proceedings for the condemnation of land for streets upday the provisions of about 15 such parts. land for streets, under the provisions of chapter 15, subchapter 1, of the Code of Law for the District of Columbia, and such closing and abandonment shall be effective when the damages and benefits shall have been so ascertained and the verdict confirmed.

SEC. 6. Any damages awarded in any proceedings under section 5 of this act, together with the costs of the proceedings, shall be payable from the indefinite annual appropriation for opening, extending, straightening, or widening of any street, avenue, road, or highway, in accordance with the plan of the permanent system of highways of the District of Columbia. Any benefits assessed against private property in any such proceedings shall be a lien upon such property and shall be collected in like manner as provided in section 491-j of the Code of Law for the District of Columbia.

Sec. 7. In any proceedings under section 5 or section 6 of this act it shall be optional with the commissioners either to abide by the verdict and proceed with the proposed closing or within a reasonable time, to be fixed by the court in its order confirming the verdict, to abandon the proposed closing without being liable for damages therefor.

Sec. 8. Nothing in this act contained shall be construed to prevent the filing of petitions by abutting property owners or other persons or groups of persons affected by said closing praying the closing or discontinuance in the public interest of any street, road, highway, or alley, or parts or portions thereof, within the District of Columbia; and all such petitions shall be definitely considered by the Commissioners of the District of Columbia, and all action taken by the said commissioners thereon shall be in conformity and compliance with the provisions of this act. and compliance with the provisions of this act.

SEC. 9. Nothing in this act shall be construed to repeal the provisions of any existing law authorizing the Commissioners of the District of Columbia to close streets, roads, highways, or alleys, not inconsistent with the provisions of this act, but all such laws shall remain in full force and effect, and in any case to which more than one of these laws is applicable the Commissioners of the District of Columbia may elect the one under which they will proceed.

Sec. 10. In all cases where necessary to refer to this act the same may be cited as "the street readjustment act of the District of Columbia."

Mrs. NORTON. Mr. Chairman, I move the committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Browning, Chairman of the Committee of the Whole House on the state of the Union, reported that the committee, having had under consideration the bill (S. 3532) had directed him to report the same back to the House with the recommendation that the bill do pass.

The bill was ordered to be read the third time, was read | the third time, and passed.

A motion to reconsider was laid on the table.

#### USURY

Mr. LaGUARDIA. Mr. Speaker, I ask unanimous consent to extend my remarks by inserting in the RECORD an article which I have written on Usury.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. LaGUARDIA. Mr. Speaker, under permission granted me I placed in the RECORD an article written by me on the subject of Usury and appearing in the October, 1932, issue of Brass Tacks. This subject is timely, and particularly so as we have on the calendar a bill which can be called up by the District Committee on this very subject. It is known as the small loan bill. I do not, even by inference, desire or intend to criticize any member of the committee who may be sponsoring or approves of that bill. I simply disagree with them, as my article will indicate.

#### USURY-THE CURSE OF HUMANITY

By Hon. F. H. LaGuardia, Representative to Congress from New York

Mankind has made great progress in the last 20 centuries Markind has made great progress in the last 20 centuries. Pestilence, epidemics, scourges have been removed. Even safe-guards have been provided against the terrors of the elements. There are but three scourges left, each in its turn playing havoc, causing destruction, and leaving sorrow and misery in its wake—cancer, war, and usury. Science is making headway with cancer. War and usury remain. Both are founded on the greed, selfishness, and ambition of man.

Lenders operate under many guises and are known under various

Lenders operate under many guises and are known under various Lenders operate under many guises and are known under various names. Usurers have been an object of scorn as far back as history records the activities of man. They are a persistent lot. Scorn, ostracism, and contempt have tended to harden them rather than to discourage and eliminate them. Through the centuries they have come down, and within the last generation, tired of the scorn and contempt to which they have been subjected, they have devised new schemes, new methods for themselves. They have succeeded in becoming known by several names, yet the old spirit of avarice, cruelty, and oppression, the demand for the pound of fiesh and the last drop of blood, persists. They have changed their devices, they have changed their names, but they have not changed their habits.

## THE OLD-TIME USURER

At least the usurer of old was an object of scorn and ostracism. He kept to himself. Once in a while he met his just and merited He kept to himself. Once in a while he met his just and merited treatment by being stoned, mobbed, and not infrequently refused protection of the law. But in our so-called recent civilization, and particularly in the United States of America, usurers have succeeded in legalizing a great many of their own activities. They have created for themselves places in the professions and in business and particularly in banking, with high-sounding names, and they have built up an artificial respectability. Cunning and shrewd, they have succeeded in acquiring sufficient political power to obtain legislation to protect their outlawed trade. They have succeeded in instilling in the minds of legislators and judges an attitude akin to their own. attitude akin to their own.

attitude akin to their own.

This new type of usurer and money lender fortunately has overlooked just one thing—arithmetic. Yes; arithmetic has been taught in the schools of our land for a long time and percentage is part of the curriculum. As long as people can figure and at least speak out, we must not lose hope in our century-long fight against usury. Eventually decency and justice will survive.

There have been many drives against usury in the course of history. The subject has not been left entirely unnoticed in this country. Of late years there has been, and particularly during times of prosperity, there is always a let-up in the war against usury. The war against this curse, like other wars, must be unrelenting and never cease. usury. The war against the unrelenting and never cease.

## LEGALIZED USURY

During the war years and commencing in 1914, and on through the after-war period of inflation, money lenders and usurers have had pretty much their own way. Since the depression of 1929 the curse has been accentuated, and as we look back and recall the history of usury in this country we must admit that a great deal of progress has been made and that what we are complaining of to-day are the methods and the devices which are the result of antiusury crusades. The country is now confronted with the necessity of changing the remedies, of revising the system, and in waging a war against legalized usury.

waging a war against legalized usury.

We will limit this article to direct money lending by legalized institutions and by individuals under many devices created by ingenious and shrewd minds for the purpose of legalizing the activity and at the same time creating the atmosphere of respecta-

bility.

The corporation system of making loans started in Germany about 35 years ago. It was followed by other European coun-

tries, particularly France, Italy, and England. It first took hold in this country about 20 years ago. Many plans have been devised under as many names. Many individuals have received great credit for the plan bearing their names, and have been acclaimed as great philanthropists and friends of humanity. Their images have been carved in stone and molded in bronze and adorn the foyers of many banking institutions. Yet there is nothing very novel or ingenious or clever in any of these plans, whether German, French, Italian or American, By whatever name they are known novel or ingenious or clever in any of these plans, whether German, French, Italian, or American. By whatever name they are known they are very much alike. They start off with the premise that not more than the legal rate of interest will be charged on small loans. That is their entrance into the realm of respectability, that is the argument which obtained in getting the necessary legislation. "The legal rate of interest is all that we charge," is their justification for leaving the pale of ostracism. From that point on the tricks, devices, and schemes vary very little. They are simple—they charge the legal rate of interest, no more, no less, except the plus and addition of just a small "service charge," and the "service charge" varies according to the greed or the opportunity of the particular plan. And in addition, just this little difference, the interest will be deducted in advance. It is called the discount rate and then "to help the borrower," payments are expected in small weekly installments. It must be admitted that from the old days of the individual outlawed loan shark this was a great improvement. To those who have not yet learned to figure percentage, it looks like an honest-to-goodness 6 per cent rate, and to those who could figure the 12, 15, or 16 per cent rate, it was far better than the high rates they had been accustomed to paying. accustomed to paying.

Strange as it may seem to the uninitiated, there is practically no risk in these so-called small loans. At least the risk is negligible. The loan shark covers himself either by actual possession of chattels as security or by actual bill of sale of household effects, even the baby's cradle, or by complete assignment of wages. The loan shark takes absolutely no chance. He practically gets his money before he gives it.

before he gives it.

The legalized financial institutions, with their assumed, hypocritical air of rendering public service and engaging in philanthropy have very little, if any, risk—far less risk of loss than the average commercial bank on a commercial loan.

Of the various legalized money lenders, the so-called Morris plan is about as well managed as any, and it is in all likelihood among the cleanest of institutions engaged in this sort of business. At least it frankly states that it is in business for profit and has stripped itself of the air of being engaged in philanthropy. According to the figures of the Morris plan, their losses are negligible. According to the figures of the Detroit office, during nine years of operation the loss was less than one-fifth of 1 per cent, or only \$38,221 loss out of \$64,839,825 loaned. And of the amount lost, 30 per cent was collected subsequently. According to their own figures, about 50 per cent of the application blanks issued are either rejected or can not qualify. These institutions choose their customers. They loan exclusively to small cording to their own figures, about 50 per cent of the application blanks issued are either rejected or can not qualify. These institutions choose their customers. They loan exclusively to small business men where the chance of loss is not only negligible but almost impossible, for a judgment would put the little fellow out of business, or to small-salaried employees. The statistics of one of these legalized incorporated loan sharks indicate that the average weekly income of the borrowers is \$25.81 a week.

Married borrowers are preferred to single at the rate of two to one, and married families with children are preferred to childless couples, the reason being obvious. Over 50 per cent of the borrowers have steady and life-secured positions such as State, county, municipal, and Federal employment. Without exception the salmunicipal, and rederal employment. Without exception the sal-aries of State, county, and municipal employees can easily be garnisheed and confession of judgments are obtained at the time the money is loaned. In the case of Federal employees where the salaries can not be garnisheed, it is well known that a mere com-plaint to the department of nonpayment of a debt will result in the dismissal of the borrower. The employee knows that.

# SELECTED CUSTOMERS

Following Government employees, come employees of railroads, public utilities, telegraph and telephone companies where work is practically steady and employment secure. The absence of musicians, actors, unskilled laborers and skilled laborers working by the day is conspicuous in the list of borrowers. These are left to the mercy of the outlawed loan sharks. Of 3,267 borrowers of one of the large loan institutions in one of the largest cities in the United States 1,788 were Government employees. So it will be seen that the risk is negligible and surely not sufficient to justify extra charges and arithmetical juggling in order to exact an unconscionable rate of interest over the legal rate. Every part of the various plans is always justified by the legalized money lenders and the outlawed loan sharks by snappy and fullmouthed reasons. "The weekly payments?" "Oh, yes, that is to teach the borrower thrift and punctuality." The mere fact that the borrower, after the first week commences paying on his loan, and in one-half the period has paid fully one-half of the amount, though he pays the interest for the full period, is only incidental. It is this weekly payment whereby interest is paid for money which has already been returned and again loaned out which brings interest up to an unjustifiable and unconscionable rate.

In addition to this, in order to instill the proper degree of discipline and put the borrowers through a course in punctuality—all as a matter of public service—the scheme of fines and penalties was devised. This, incidentally, is another great source of

revenue to the legalized money lenders and the outlawed loan sharks in addition to the already excessive and unreasonable rate of interest. One of the most respectable plans of money-lending institutions, which admits that it is respectable, although its in-Institutions, which admits that it is respectable, although its interest rate averages at least 10 to 12 per cent, makes the modest fine of 5 cents on each dollar or fraction thereof in default of payment on every dollar or each fraction thereof, every week. Get that? Five cents every week on every dollar adds to the interest already described no less than 260 per cent of the amount loaned. Does the law permit that? No; even the law which permits the discounting of the interest in advance and the "service charge" would not permit that, but it is done in this way. The combination of collateral is created. When Mr. Borrower goes to the legalized shark for a loan he not only signs a promissory note with two comakers, but he must give collateral. This collateral is a certificate usually bearing a name or a letter. For collateral is a certificate usually bearing a name or a letter. For purpose of convenience we will call it certificate X. The certificate X will be of the same amount or the law. does not own the certificate the borrower gives it as collateral because he enters into a contract to buy certificate X. The paycause he enters into a contract to buy certificate X. The payments which he makes every week are not on the loan, but on certificate X. When he pays the certificate in full, it is synchronized with the maturity date of his note. Certificate X is then taken in payment of the note. In the contract for the purchase of certificate X he agrees to pay a penalty of 5 cents on a dollar every week that default is made on such payment. It is therefore a simple contract of purchase and sale and does not come within the purview of the usury laws. Why the courts of this country have winked at this is beyond comprehension. This is just another instance of the responsibility, the business methods, and the legalized public service under which the small-loan institutions are operating. tutions are operating.

#### THE MORTGAGE RACKET

Besides the small loans there are many other systems of usury which have exacted millions of dollars from their victims. The which have exacted millions of dollars from their victims. The second-mortgage racket has reached the stage of being a national scandal. In the large cities of the country as well as on farms, 10, 25, and 30 per cent bonuses have become the standard rate. A bonus is always deducted in advance so that not only does the borrower pay this excessive percentage on the loan but he continues to pay interest on an amount which he did not receive. The first-mortgage racketeers are not quite as bold, but they are just as greedy and ruthless in their demands. Service charges bring fees, and appraisals are the means of exacting bonuses on first mortgages. The unfortunate borrower is by no means through first mortgages. first mortgages. The unfortunate borrower is by no means through with these initial charges. On maturity, renewals are generally refused, compelling the borrower either to pay new bonuses to the original lenders or else to go elsewhere and commence all over again in order to keep his home or property from foreclosure.

## INSTALLMENT TRICKERY

The installment business, originally instituted to aid purchasers, has also degenerated into a racket far from legitimate lines of business. The automobile financing plans under many names vary very little in their system. Initial payments for services, juggling, discounts, all these bring the interest up to an excessive and exorbitant rate. This is followed by a systematized plan of oppression—foreclosing upon the chattel mortgage, replevin on the articles, and in other ways harassing the innocent purchaser and compelling payment before the due date or taking away the chattel after most of it has been paid for. All of these methods of doing business require legislation to end the unlawful exactions and to permit legitimate business to continue on a fair business basis.

Few of the many institutions engaged in this line of money lending frankly admit that they are in it for all they can get out of it. Once in a while it will be frankly admitted that the venture is purely a business one. In advertising their securities to the public it is often frankly stated, "This society is strictly a proprietary company, and there is no limit to the profits which may be given its stockholders." In fact, part of the game is to have certificates, stock, and bonds distributed among the public generally. This eases the conscience of the small group who control the various companies. The old cry is: "Our profits go to our stockholders and the public generally." Everybody knows that this is just a lot of bunk. The victim of the usurer is not at all concerned in who gets the unconscionable interest. The function of government in stopping usury is to prevent the victim paying usurious rates and not to regulate the distribution of this ill-gotten money. ill-gotten money.

#### THE RUSSELL SAGE FOUNDATION

The guilty consciences of those engaged in a miserable and low line of business prompt the demand for clothing themselves not only with an air of respectability but with the illusion of being drafted to render this necessary public service. For that purpose the Russell Sage Foundation is generally called into action. The Russell Sage Foundation bears the name of one of the most unscrupulous, disreputable loan sharks that ever lived. It follows logically that the small-loan racket was first sponsored by this foundation as a social necessity to keep distressed borrowers out of the hands of loan sharks. This foundation is always ready and willing to make a "research" and to publish a report of the terrible deeds of the back-alley loan shark and to point out the necessity for public-spirited financial institutions, conducted by high-standing, respectable citizens. The only difference between the back-alley loan shark and the legalized money-loaning institution is, perhaps, 10 per cent in the interest rate. The Russell Sage Foundation does not hesitate to recommend, and it has

recommended, legislation legalizing 42 per cent interest on small loans. It has made investigations and furnished reports to legislative committees of almost every State recommending, urging, and justifying interest rates of 42 per cent, all in the name of

philanthropy.

As a typical instance of the attitude of the foundation we may take its activities in urging a bill for the District of Columbia. If the National Congress could have been hoodwinked and prevailed upon to pass such a law for the District of Columbia, it would have been immediately followed by the three or four large holding companies which own and control the various moneylending banks as an argument for the passage of loan bills in States which have resisted the demand of these social leeches.

#### FORTY-TWO PER CENT INTEREST

Along came the Russell Sage Foundation, with suave air and Along came the Russell Sage Foundation, with stave air and its philanthropy window dressing, but endowed with the spirit of old Russell Sage, the loan shark. It urged Congress to enact a small loan law for the District of Columbia, legalizing an interest rate of 42 per cent. Fortunately, there were many members in the committee who halled from States which had had experience with small-loan legislation. These were familiar with the history of Pussell Sage of Ill-formed memory. The representative history of Russell Sage, of ill-famed memory. The representative of this foundation stated that the Russell Sage Foundation is an endowed foundation for the improvement of social and living conditions. In the same testimony and in the same breath he spon-sored 42 per cent interest on small loans. He was the head of the "department of remedial loans." Here is some of his testimony:

"In the beginning we helped to enlist philanthropic and semi-philanthropic capital in the making of these small loans, and there are throughout the country 35 semiphilanthropic institu-tions which make loans almost at cost. The rates which these there are throughout the country 35 semiphilanthropic institutions which make loans almost at cost. The rates which institute remedial companies charge for chattel and wage-assignment loans varies from about 2 per cent to 2½ per cent. In other words, institutions organized not for profit but for good have found that the cost of making chattel loans and wage-assignment loans to workers necessitates a charge of from 2 to 2½ per cent per month?"

Philanthropy at 30 per cent a year. These "philanthropic" organizations are the forerunners and pacemakers for the business institutions, which always follow them with the rate of 42 per

#### CREATING ATMOSPHERE

After a statement like the above there usually follows a very vivid and accurate description of the outlawed loan shark. This all creates atmosphere. Yet the only difference in the recommendation of the Russell Sage Foundation is that it recommends incorporation and legalization of a 36 or 42 per cent interest law. These institutions then take the cream of the business, leaving the less fortunate ones exactly where they were at the mercy of the less fortunate ones exactly where they were, at the mercy of the outlawed loan shark.

When the writer protested before the committee against the 42 per cent rate, the representative of the Russell Sage Foundation countered with the usual statement that legislators who did not agree with them were politicians, but legislators who could understand the good work they were doing and see the necessity of legalizing small loans to the extent of 42 per cent were real states-

men. Continuing his testimony he stated:

"The Sage Foundation for 20 years has had contact, practical contact, with thousands and thousands of poor people, people in distress \* \* \* but I do not think it is reserved entirely for our politicians of New York to speak for poor people. If so, God

save the people."

Continuing his testimony—

"Regardless of all the fiery denunciations of 42 per cent, regardless of all flying in the face of the facts, the testimony of the banking commissioners is that bringing the lending of small sums under regulations is the most important item, and then you have got this rate there \* \* \* and somebody who will wave his hands and arms in the air is undertaking to denounce 42 per cent

in the face of these billions of dollars being loaned."

That is the sworn testimony of the representative of the Russell Sage Foundation before the Committee of the District of Colum-

Sage Foundation before the Committee of the District of Columbia of the United States House of Representatives in April and May, 1930. The representative was no doubt carrying out his orders as a loyal employee of the Russell Sage Foundation.

The Russell Sage Foundation is carrying on the spirit of Russell Sage. It is not so long ago that this man was among us. Is memory so short that the black record of this shark has been forgotten? Are the American people to be placed in the ridiculous position that while framing and shaping and writing and enacting laws against usury for the protection of small borrowers they are to be guided and led by a Russell Sage and his school of usury? What an absurd position!

#### WHO WAS RUSSELL SAGE?

Who was Russell Sage? A grafting alderman, a crooked Congressman, a thieving loan shark, and an admitted perjurer. As an alderman in the city of Troy he resisted the sale of a railroad an alderman in the city of Troy he resisted the sale of a railroad franchise for \$2,500,000 only to be prevailed upon to sell it to Morgan et al. for \$250,000. He immediately thereafter sold it to the original bidder for the original sum. It was later discovered that the "et al." of Morgan was no less a person than Russell Sage himself. He left the aldermanic business, and he left Troy. He was connected with nearly every large crooked money deal of his day and finally in a wave of protest against usury he was caught in a net, pleaded guilty, sentenced, and convicted, but again he was able to juggle himself and his associates before a controllable We read in the New York World of Wednesday, August 11,

judge. We read in the New York World of Wednesday, August 11, 1869, the sentence of the court:

"Russell Sage was among the last to plead guilty, and though there is but one indictment against him, I learned that there were a large number of charges on which the evidence was perfectly plain and conclusive, and that there is good reason to believe him to have been connected with the combination to lock up money which I have mentioned. I think, and such is the sentence, that in addition to a fine of \$250 he must be imprisoned in the city prison for five days."

Then the judge passed sentence upon a few others.

Did Russell Sage and his fellow convicts go to jail? Not at all. The judge who was notorious as one of the tools of Boss Tweed had finally been fixed, for the next significant paragraph which

The judge who was notorious as one of the tools of Boss Tweed had finally been fixed, for the next significant paragraph which appeared in the New York World of that date, says:

"Up to a late hour last evening Mr. Watts and Mr. Sage had not been brought to the Tombs, neither could our reporter ascertain where they were. The person in charge at Centre Street said he had been expecting them since morning."

A certified convert the convertion indicates that the prison sen-

A certified copy of the conviction indicates that the prison sentence was removed and a fine of \$250 imposed. The court room at the time was so filled with victims of Russell Sage that the court dared not change the prison sentence in the presence of his fellow

#### SAGE PHILOSOPHY

An instance of the Russell Sage idea, apparently carried out by the foundation now urging legalization of 42 per cent interest on loans, may best be obtained from a statement uttered by Sage loans, may best be obtained from a statement uttered by Sage shortly before his death: "There are persons who ought never to have money, not only because of the injury that its possession might work them, but on account of the very much greater harm it might do to the community. Poverty is the only salvation of such men because in that state they can be to an extent restrained by the community." Apparently that philosophy is the underlying motive to be carried on by the foundation, generously endowed by this man's money and in his name. But perhaps the fairest description that might be obtained would be from his obituary. Surely after a man is dead and gone his obituary contains everything that can possibly be found that is good and kind about him. Yet the staid, conservative, and money-minded New York Post of July 23, 1906, carried the following obituary of Mr. Russell Sage, whose spirit his foundation carries on:

"Every country village has its keen money lender ready to screw

"Every country village has its keen money lender ready to screw the last cent from his neighbors on mortgage or note. Russell

Sage was this village skinflint writ large.

"He operated in the market of the continent, but the magnitude of the enterprises in which he shared did not expand his mind or quicken his sense of responsibility. From the individual in his grasp he relentlessly extracted the pound of flesh; and he never made even a pretense of reparation in the form of public benefactions. He wanted money; he got it; he kept it."

### ROOSEVELT ON USURY

No more active and vivid description of the menace of the

No more active and vivid description of the menace of the money shark, whether legalized or not, to the community can be quoted than that of Gov. Franklin D. Roosevelt in a short article in Liberty, of June 18, 1932. Says Governor Roosevelt:

"Forcing an illegal contract upon a man makes him a slave. Thus it is that slavery has been revived in the United States. Within recent years the number of Americans turned slaves has shockingly increased. I refer to those citizens who have had to submit to usury at the hands of some of our lenders, both large and small.

and small.

"Usury is the lending of money at more than the legal rate of interest. More than 6 and 7 per cent is illegal in every State in the Union. But thousands of years of law—for the laws of Moses counted usury as a sin of man against man—does not prevent usury from being widely practiced in the United States to-day. It is a national problem very urgently needing solution.

"When a 'free citizen' with good security can not borrow money for legitimate purposes on fair terms there is something wrong. Society as well as government is to blame. Take, for example, the 'best risk'—a man who needs to borrow half the cash needed to buy a farm, a home, or to build. In many places

example, the 'best risk'—a man who needs to borrow half the cash needed to buy a farm, a home, or to build. In many places in this country to-day, if that man can borrow at all, he has to pay in effect twice the legal rate of interest for his mortgage.

"Usury has been forced upon him in one of several ways. A loan was arranged on paper at the legal rate of interest; a 'commission' was charged of 2 or 4 or 6 per cent in addition. Or he signed a note for the full amount of his loan, but actually received less, thereby paying more than the legal rate of interest. These evasions of the law are inhumanly wicked."

Yet such methods are legal in the State of New York. And these words have been transmitted in a message to the legislature for

words have been transmitted in a message to the legislature for the repeal of this vicious law.

"Rightly," concludes the Governor, "these victims of usury hold as much bitterness in their hearts as those slaves who were lashed with whips to force them to build pyramids to greed. This army of usury slaves in a democratic country is not only abhorrent but

Amen. They must be freed."

Amen. They must be freed and the way to do it is for every State to repeal every law permitting discount in advance or legalizing any device which makes possible directly or indirectly a rate of interest over and above the legal rate.

## THE STOCK EXCHANGE

How the small-loan racket, exacting 42 per cent interest from the sweat and worry of a poverty-stricken people, obtained a list-

ing on the New York Stock Exchange is an interesting bit of public information which Richard Whitney, president of the institu-

tion, owes the country.

How the preferred stock of the Household Finance Co. was How the preferred stock of the Household Finance Co. was the only issue on the stock exchange which remained above par until the stock-exchange investigation got under way would be another illuminating detail. Since Mr. Whitney, however, has pleaded ignorance of manipulation, it is probable the facts in this particular case would have to be sought elsewhere.

The Household Finance Co. operates 149 small-loan offices in 13 States throughout the country. It is one of two large loanmongering chains, the second being the Beneficial Management Corporation of New York, which dominates this licensed lending business in those States which have adopted the uniform small loan law, originally sponsored by the Russell Sage Foundation.

Household Finance has been the "front" for the small-loan racket for years. It brought the business out of back streets and placed it in palatial quarters on the busy corner. It retained college professors as economic advisers. It hired social workers as research counselors. It was largely instrumental in setting up

research counselors. It was largely instrumental in setting up in Washington the American Association of Personal Finance Companies with W. Frank Persons, former almoner to Mrs. Russell

panies with W. Frank Persons, former almoner to Mrs. Russell Sage, in charge.
Having thus "window dressed" itself, Household Finance moved on from Chicago to New York. For a consideration, doubtless mutually satisfactory, Household Finance gained the sponsorship of Lee, Higginson & Co., who also introduced Kreuger & Toll. This introduction being satisfactory to the governing authorities of the New York Stock Exchange, the preferred stock of Household Finance was admitted to the big board.

#### EXPENSIVE WINDOW DRESSING

Of course, all this "window dressing" costs big money. But the 42 per cent interest rate takes care of all that. A qualified financial authority, after examining this racket, offered this

"If the Household Finance Corporation can collect the brutal interest it charges on tiny loans to poverty-stricken people, this

interest it charges on tiny loans to poverty-stricken people, this particular outfit should be a gold mine."

It has been a gold mine. It is, of course, too much to expect that the sponsors of this corporation should examine the ancestry of the dollars that come their way. They are still dollars, even though they come as a product of legalized usury and in consequence of the delusion of legislatures and other public agencies by the glib sophistries of this band of plunderers.

The reports of the Household Finance Corporation, doubtless in the files of the New York Stock Exchange, state that their business was originally founded in 1878. That was some 35 years before the first enactment of this legalized usury in any State in the Union. If the New York Stock Exchange wants to go into this matter, it can ascertain that the Household Finance Corporation are successors to the former Mackey interests of Chicago, this matter, it can ascertain that the Household Finance Corporation are successors to the former Mackey interests of Chicago, one of the most notorious loan-shark rings that ever infested the industrial centers of the country. The New York Curb Exchange would find a similar background for the Beneficial Management Corporation of New York, whose securities are being "seasoned" on the curb under the auspices of Dillon, Read & Co.

When the time comes to purge the stock exchange, I hope those who have the job in hand will drive this loan-mongering crew, not back to the curb, but to the gutter, where they belong. It is a public outrage that men and institutions who claim respectable standing in the business community should lend themselves to fostering a racket which stands unchallenged as the most notorious example of human greed.

most notorious example of human greed.

### PHILIPPINE INDEPENDENCE

Mr. GUEVARA. Mr. Speaker, I ask unanimous consent to insert in the Record a speech delivered before the Legislature of the Philippines by the chairman of the Committee on Insular Affairs [Mr. HARE] on the subject of Philippine independence during his visit to the Philippine Islands.

The SPEAKER. Is there objection to the request of the gentleman from the Philippine Islands?

There was no objection.

Mr. GUEVARA. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

my remarks in the Record, I include the following:

Mr. Hare. Mr. President and gentlemen of the legislature, it is no mere complimentary phrase when I say it is a great pleasure for me to visit the Philippine Islands and have the distinct honor of addressing this honorable body of representative men. For many years I have been greatly interested in what is referred to in the United States as the Philippine problem. Upon my election to Congress eight years ago I was afforded an opportunity to give particular study to the subject when I was made a member of the Insular Affairs Committee, after I had personally requested this assignment. During these eight years it has been my privilege to listen to your representatives and friends from time to time as they petitioned for legislation providing for independence of the Philippines. The evidence and arguments submitted have been convincing and conclusive, and when I was made chairman of the Insular Affairs Committee of the House of Representatives, I was prepared and was very glad to give most made chairman of the Insular Alians Committee of the House of Representatives, I was prepared and was very glad to give most sincere and detailed consideration to the matter.

I should say at the outset that my visit here is not at the spe-cial request or direction of my Government but in obedience to my

personal desire to see and learn from personal contact what I have heard through your representatives and friends. What I shall say, therefore, will be the expression of my own personal feelings and individual opinions. I do not come to suggest, advise, or dictate to you what attitude you should take toward the pending legislation in Congress but shall be glad to give you the advantage of my personal views touching this subject.

Instead of entering into a discussion of the question of independence in a general way, I am sure you would prefer me to state what progress has been made in a legislative way, or what Congress has done or plans to do in this matter. I shall attempt to do this by relating the steps taken by the Insular Affairs Committee since I became its chairman and the action taken by the House of Representatives in the last session of Congress.

Soon after I assumed the chairmanship I was called upon by your commission in Washington to know whether additional hearings would be held on any or all of the bills that had been introduced providing independence for the Philippine Islands. I assured them it was my purpose to give full and complete hearings and endeavor to secure definite action by the committee and the House of Representatives as early as circumstances would permit

On January 22 we began the hearings, at which an opportunity was accorded those favoring as well as those opposing independence to be heard. I announced at the outset that I would be particularly interested in testimony tending to show whether or not the people of the Philippine Islands were educationally, socially, and economically prepared to set up or establish a stable form of government. That is, whether there was a studied, con-scious, and united realization of the financial burdens of government on the part of a majority of the people and whether they are financially prepared and willing to assume such burdens; that if sufficient evidence were submitted to affirmatively establish this condition, then in so far as I was personally concerned as a Member of Congress my duty would be definite, clear, and certain, because I considered at the time and still maintain that when the people of the Philippine Islands are prepared to establish such a government, the condition precedent to granting inde-pendence by our Government has been met and there should be no hesitation or equivocation in the discharge of this, our well-recognized obligation. I have the impression that other members of the committee went into the hearings with similar feelings and convictions. These hearings were extensive and quite volu-minous and after a full opportunity had been afforded all persons desiring to testify they were concluded on February 12.

The following day the committee went into executive session and, while there were a number of bills before the committee, it was decided we should give our attention and consideration H. R. 7233, the bill I had the honor to introduce early in the session. Finally it was tentatively agreed that this bill should be favorably reported with certain amendments. It is unnecessary for me to discuss in any detail the amendments offered or all the provisions of the bill. It is sufficient to say that the real crux of the proposed legislation was fixing the date when full and complete independence and the withdrawal of American sovereignty from the islands should become effective. This was the most controversial provision in the minds of the members of the committee. Some felt that sovereignty should be withdrawn at once; others thought the transition period should be 5 years; some thought it should be 10 or 15 years, and one or two felt it should be at least 20 years. Personally I favored a 5-year period as provided in the bill but was very anxious to secure as near as possible the unanimous support of the entire committee before reporting same to the House of Representatives for consideration. It was soon learned that, while we could secure a bare majority of the committee favoring a 5-year period, a minority report would be filed which would mean a long drawn out fight when the bill was need which would mean a long drawn out light when the bill was reached for consideration. Too, information was brought to the committee that the President would not sign a bill providing for independence in five years. Therefore, in order to obviate as much opposition as circumstances would justify, I, along with others, agreed to report the bill with the 8-year period. This was done, if I recall correctly, by a vote of 19 members out of 21 on the committee. the committee.

I stop here long enough to refer to some press reports to the effect that your commission in Washington could have obtained the passage of the bill for a 5-year period instead of 8 years if they had insisted upon it. I want to make it clear that the change was made for the reasons I have indicated and in spite of the fact that the members of your commission insisted upon the shorter period. The criticism, therefore, is not supported by the facts, and I make this statement in justice and fairness both to the members of the Insular Affairs Committee as well as to the members of your commission.

Probably I should say here that the bill as tentatively agreed Probably I should say here that the bill as tentatively agreed upon provided for a limitation of certain major exports from the islands to the United States, to wit: Raw sugar, refined sugar, coconut oil, and cordage and by committee amendments it further provided there should be an annual reduction of 10 per cent of these exports during the transition period. As it has always been my policy to be frank and fair with my friends, I have to say I agreed to these amendments because we felt that with a gradual reduction of your exports to the United States during the transition period, it would of necessity require your newly established government to make trade agreements and commercial treaties with other nations so that at the end of the transition period you would have established trade connections with other

nations to such an extent that when sovereignty was withdrawn and the tariff laws of the United States applied to your products there would be little or no shock to the economic life of your newly formed government. However, with more mature delibera-tion and at the suggestion of other members of the committee it was agreed that before the bill should be finally reported the sections providing for an annual reduction in your exports to the United States should be eliminated.

I probably should stop long enough again to say it was your commission that furnished the committee with convincing information showing that the annual reduction of your exports would not be to the best economic interests of the islands. I could say further there were many times when your special commission, including your commissioners in Congress, Mr. Guevara and Mr. Osias, proved to be of great service to those of us interested in this great problem. Unfortunately, members of the committee were not always able to agree with all of their requests

because, while we may have been interested and anxious from your standpoint, we could not lose sight of the interests of our

own people and our own country.

The committee remained in executive session and considered the bill in much detail and from many angles for about one month, when it was favorably reported and placed on the calendar March 15. Under our parliamentary procedure bills can not be brought up and considered at any time at the request of the author or chairman of the committee reporting same, but an orderly and regular procedure is provided. We found that if the bill was to be taken up and considered in the order it appeared on the calendar it would be delayed for some time. It therefore became necessary to try and hasten consideration under a special parliamentary procedure. Fortunately, the Speaker of the House was friendly to the proposed legislation and agreed to recognize the chairman of the committee to move that the rules of the House be suspended for the purpose of passing the bill, which was done on April 4, 1932, by a vote of 306 to 47. I am greatly indebted to your commission and your Commissioners in Congress, Mr. Guevara and Mr. Osias in reaching a decision to bring the bill up for consideration under the procedure suggested, not unmindful that there was some pronounced opposition to the bill. But after they reported to me, following a most careful poll of the House, that a majority favored the proposed legislation there was no hesitation on my part, particularly after the Speaker, upon his own initiative, announced from the chair that I would be recognized out of order for the purpose mentioned. In the very short time for debate we were gratified at the timely and telling remarks of your two Commissioners in behalf of legislation that would provide independence for the Philippines. We were criticized quite severely by those who do not favor independence for bringing the bill up for consideration under a suspension of the rules where debate was limited to 40 minutes. But this seemed to be the only way to have the matter considered, and the overwhelming vote in support of the measure I think justified our action.

The vote clearly demonstrates how anxious Members of Congress are to see that the obligations of the Government are faithfully discharged. This action of the House of Representa-tives removes any doubt whatsoever as to what the policy of our Government will be toward the freedom of the Philippines. It makes clear, definite, and certain there is no intention to retain the islands against their will. Any fears or doubts heretofore maintained by any Filipino as to the policy of our Government in this matter should now be removed.

The bill does not meet my approval in detail. It does not meet with your approval in detail. It does not meet with the approval of American interests in your islands in detail. As a matter of fact, it does not meet with the approval of any of the interested parties in detail; but as I stated time and time again to members of our committee: "When friends can agree on a definite and clear-cut governmental policy, they should by compromise be able to get together on the mere details." I am now of the firm conviction that Philippine independence is a certainty and it is not too soon to begin making your plans with this thought in mind, for it may come earlier than is now con-templated or expected.

The question of time when sovereignty shall be withdrawn was the most controversial point of any of the details and, in this connection, I will say it is my present impression, although I may be convinced otherwise, that it matters not how ardent may be the desire for immediate independence on the part of the Filipino people, or how anxious Americans may be to liberate them, experience, reason, and intelligent observation teach us that observation teach us them, experience, reason, and intelligent observation teach us that abrupt termination of the present relationship would virtually destroy a number of the basic industries of the islands, seriously imperil the future of the free Filipino nation, and forfeit much of the gains the people have made under the guidance of the United States. However, our committee was impressed with the importance and wisdom of legislation that will remove any doubt as to our sincerity in completely discharging the obligations assumed and openly declared when the islands came into our possession approximately 30 years ago. charging the obligations assumed and openly declared when the islands came into our possession approximately 30 years ago. We felt that the indecisive status as to the future policy of our Government should be removed so that the insular government may be in a position to give reasonable assurances of stability of conditions to be expected by manufacturing, commercial, industrial, and other activities in the islands. The question as to whether the date of full and absolute independence should be immediate, within a very few years, or a longer period is not so vital as fixing a date when everyone will know for a certainty when complete independence will be granted and United States'

sovereignty withdrawn.

not be able to enumerate all the considerations or details that had to be kept in mind by members of the committee and others who favored Philippine independene and wished it to be granted on conditions equitable and acceptable to the various groups affected by it. In the first place, it was necessary, though exceedingly difficult, to recognize the divergent interests of Filipinos and Americans. To give one of these interests all that it claimed was its right would be to deny the other what it demanded

claimed was its right would be to deny the other what it demanded as its due. The dissatisfaction of one or the other to any very great extent would have defeated the whole project of independence. Not only was there a cleavage between Philippine interests and American interests but there was a division and conflict also between purely American interests. There are those who profit by the present free-trade arrangements between the United States and the induced and who for that research property is discontinuous. and the islands and who for that reason oppose its discontinuance. On the other hand, there are groups who insist they suffer from competition with Philippine products and wish to see the free-

trade relations terminated just as soon as possible.

As I have already stated, when it became necessary to determine the time for independence, a small majority of the committee believed that five years would be long enough to allow for the accommodation of economic conditions to the new and different status of the islands following the withdrawal of American sovereignty. The members of the Philippine commission were urging independence at the earliest possible date and there was a disposition in the committee to satisfy the Filipino people as far as this could be done. American agriculture also was insistent on early independence; the same was true of those representing American labor. labor. However, other considerations had to be taken into account. Many sincere friends of independence foresaw that an attempt to unduly hasten the termination of American sovereignty and govunduly hasten the termination of American sovereignty and government in the Philippines might prove fatal to the whole undertaking. There were many who, though not adverse to an independent Philippines, believed that severance of the islands from the United States and the adjustment of trade relations between them should be accomplished by a longer and slower process than they thought possible in five years. Moreover, it was justifiably feared that both the Senate and the President would not accept a bill providing for independence in a term of less than eight years, if, indeed, they would approve even that short period.

You can readily understand, therefore, that here was a case in which concession and conciliation was the price of accomplishment. A majority of the committee had deep sympathy with the Philippine Commission's desire to obtain the boon of independent nationhood without delay or limitation, and it was this sympathy.

Philippine Commission's desire to obtain the book of independent nationhood without delay or limitation, and it was this sympathy, coupled with a desire to assure independence, that actuated the committee in accepting a compromise which, although disappoint-ing to the Philippine Commission and others, did not jeopardize

committee in accepting a compromise which, although disappointing to the Philippine Commission and others, did not jeopardize independence at a reasonably early date.

The Senate bill's provision for a plebiscite at which the Filipino people shall record their wishes about independence has occasioned a good deal of discussion. It is not for me to question the wisdom of this provision. I am certain that good faith and good will dictated its inclusion in the Senate bill. It doubtless is designed as a precaution, not as a strict requisite. However, the House committee did not regard a plebiscite as necessary or advisable, and our position was enthusiastically supported by the Philippine Commission. We were quite certain that the Filipino people are anxious for independence and fully understand that it will bring detriment as well as benefits. There was no thought in our minds that the present sentiment and efforts for independence would undergo either reversal or diminuation within eight years. There is no urgent need for requiring a plebiscite, although there may be no very strong reason for opposing it.

Trade relations between the United States and the Philippines present the most difficult of all the problems involved in the question of independence. These relations concern intimately and vitally the present and prospective welfare of the Filipino people. The whole population of the islands is affected by any change of whatever nature in the existing economic relationship between the two countries. Because the Philippines are a small nation, because their industries are few, because their markets are restricted, they will suffer more than the United States from the dislocation of trade between the two peoples. The American industries upon which Philippine independence will react are better able to withstand the effects of limitations and tariffs than are those in the islands.

For a whole generation Philippine industries and commerce lived on the basis of these free-trade relations between the

not fall to have a serious social as well as economic consequences. I am informed that not fewer than 2,000,000 Filipinos are dependent on the sugar industry alone. Almost every bill propos-ing Philippine independence has contemplated that the complete and final separation of the islands from the United States should eventuate only at the end of a period long enough to permit the trade and industries of the two countries to be adjusted to the changes that should come pending and after their severance. We have seen that the Hare bill allowed eight years for this transition; the Hawes-Cutting bill 15 to 19 years, and the Vandenberg bill 20 years. In the House bill it is provided that, during the interim of the eight years preceding actual independence, the trade relations between the islands and the United States shall continue as they now exist, except that free sugars entering the United States from the Philippines shall be limited to 50,000 long tops for refined and 200,000 long tops for refined each years. United States from the Philippines shall be limited to 50,000 long tons, for refined and 800,000 long tons for unrefined, each year; coconut oil shall be limited to 200,000 long tons, and cordage to 3,000,000 pounds annually. These limitations are based on estimated imports from the Philippines under normal conditions. The policy reflected in these provisions of the bill recognizes that these industries, to the extent of their present productive capacity, are entitled to an allowance of time in which to adjust themselves before they become subject to the American tariff.

Under the terms and provisions of the Senate bill, trade relations between the United States and the Philippines will, for the first 10 years, be precisely the same as those which the House bill provides. At the end of the first 10 years there begins a gradually increasing tariff levy in the nature of an export tax imposed and collected by the Philippine Government on all Philippine free imports to the United States. From the eleventh to the thirteenth year the tax will rise from 5 per cent to 25 per cent of the

imports to the United States. From the eleventh to the thirteenth year the tax will rise from 5 per cent to 25 per cent of the American tariff on like articles imported from foreign countries. Products on the general free list of the American tariff will not, under the Senate bill, be subject to tax.

This verbal sketch of the situation will enable you to realize that it was impossible for the authors of the House bill or the Senate bill to fully satisfy both the Philippine people and the American people. If we had granted independence in 2 or 3 years or even 5 years, it is certain that great harm would have been done to both Philippine and American interests. Immediate independence would doubtless have gratified the hearts of many Filipinos, but it would also have injured their country. And so, too, immediate independence would have given pleasure and benefit to certain American groups, but it would at the same time have worked harm to others. It was difficult to reconcile our duty to both the Filipino and the American people. We could not invent a plan of independence that would give satisfaction to both of them; we could—and I think we did—devise a program that of them; we could—and I think we did—devise a program that does justice to each of them. A bill that fixes a shorter period for transition or that fails to provide limitations on Philippine free imports could not succeed. It might win the approval of Filipinos, but it would provoke the opposition of Americans and be rejected by Congress

Some interest has been manifested in connection with what is known as the Forbes' amendments to the Senate bill, and, while some of them may be wholly unnecessary, I do not view their inclusion with unusually great concern or alarm at this time.

After the bill passed the House it automatically went to the Senate for consideration. I am sure from the interest you have manifested you are quite familiar with the deliberations of the Senate and the present status of the proposed legislation. I do not think it proper to discuss the action of the Senate with refernot think it proper to discuss the action of the Senate with reference thereto further than to say by agreement the Senate bill is scheduled to be acted upon on December 8, when I sincerely trust it will be given favorable consideration. Of course, in saying this I do not mean to convey the idea that I prefer the Senate bill to the House bill, but upon passage in the Senate the two bills will then be sent to conference, where the differences will be harmonized, if possible. I would not attempt to suggest or intimate what will be reported by the conferences in the event the two bills are sent to conference, because it is certain there will have to be a compromise on the part of those representing the House bill and those representing the Senate bill. It is reasonable to assume that in order to report a bill which will receive favorable consideration by both Houses it will be necessary to make a number of compromises, both by the conferees of the Senate and the conferees of the House, and it will be absolutely impossible to offer a guess what these compromises will be. However, I am certain the impressions received and the information obtained on this visit to the islands will enable me to be of greater service to both Filipinos and Americans in harmonizing not think it proper to discuss the action of the Senate with refergreater service to both Filipinos and Americans in harmonizing the differences in the two bills. It may not be out of order to say that if I am one of the conferees, and I am quite sure I will be, it is my purpose to insist on the provisions of the House

Some of the newspapers and individuals that have fought Philippine independence have recently renewed their war against it in the hope they can delay or defeat it by quoting representative Filipinos as being against the cause. Just before we left the United States, I observed a recurrence of this form of propaganda. Editors and others were alleging that only a handful of Filipinos really desired independent existence; that the vast majority preferred to continue under the American flag and the protection of the United States. The talk of independence, these editors and other opponents were saying, is simply the chatter of Filipino "politicos" who made the movement the vehicle for carrying them into public office or to some other place of prominence and emolument. It was alleged that even some of the chief advocates of independence in the Philippines speak for it in advocates of independence in the Philippines speak for it in public and against it in private, and that some who championed the cause when it seemed hopeless were lukewarm now that it is hopeful, because they never really wished for what they pretended to seek. From the evidence submitted to our committee there has been no doubt in my mind but what the Philippine people as a whole are sincere in their longing for independence. That is, we concluded that if there had been any outstanding

Filipino opposition in the islands there would have been some who would have been frank and courageous enough to appear

before our committee and say so.

Your interest in the matter was manifested and demonstrated last year when, as I understand, your legislature unanimously passed a resolution sending a commission to Washington to promote your cause. The members of this commission have been an inspiration and of great service to those who have been endeavoring to effect legislation that in the main would satisfy all parties concerned. We are 10,000 miles away from you and do not ties concerned. We are 10,000 miles away from know everything about the Philippine Islands.

We do not have at our finger tips data as to your resources and opportunities. We have, therefore, found it necessary to call upon members of your commission almost daily for information with reference to the proposed legislation. A few months ago when they began to talk about coming home to attend your legislature, I, for one, insisted that in my opinion they could be of greater service in the United States this summer than they could at home,

and I think it wise that they remained.

Let me say in conclusion that an overwhelming majority of the members of the present Congress are in favor of granting indemembers of the present Congress are in favor of granting independence and withdrawing American sovereignty from the Philippine Islands at a reasonably early date, and I am of the firm conviction that a great majority are actuated by unselfish motives and are anxious to see our Government carry out its promises and discharge its obligations in good faith to you as well as to other nations of the world. You can not expect us to do more, and we will not be extigled to do less. will not be satisfied to do less.

CLOSING BARBER SHOPS IN THE DISTRICT OF COLUMBIA ONE DAY IN SEVEN

Mrs. NORTON. Mr. Speaker, I call up the bill (H. R. 8092) for the closing of barber shops one day in seven in the District of Columbia, and ask unanimous consent that the bill (S. 4023), a similar Senate bill which passed the Senate on June 8, 1932, may be considered in lieu of the House bill.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

Mrs. NORTON. Mr. Speaker, I ask unanimous consent that the bill (S. 4023) may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentlewoman from New Jersey asks unanimous consent that the bill (S. 4023) may be considered in the House as in Committee of the Whole. Is there

There was no objection.

The Clerk read the bill as follows:

Whereas in the District of Columbia persons engaged in the occupation of barbering are required to work seven days a week in order to meet competition and conform to custom; and

Whereas the health of such persons is endangered and often impaired by the working conditions peculiar to their occupation;

whereas the protection of the health of such persons will tend to protect the health of the general public by guarding against the spread of infectious disease: Therefore

Be it enacted, etc., That hereafter in the District of Columbia it shall be unlawful for a person to maintain seven days consecutively any establishment wherein the occupation or trade of barther the control of the country of their tively any establishment wherein the occupation or trade of barbering or hair dressing (including the cutting or singeing of hair, shaving, shampooing, massaging, or manicuring) is pursued. All such establishments shall be required to remain closed one day in every seven beginning at midnight or sunset. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not in excess of \$20 or by imprisonment for not more than 60 days, or both. The Commissioners of the District of Columbia are hereby authorized and empowered to make, modify, and enforce reasonable regulations to obtain compliance with the provisions of this act, and such regulations shall have the force and effect of law within the District of Columbia.

Mr. STAFFORD. Mr. Speaker, I favor strongly the bill as introduced originally in the House, H. R. 8092, which provided for the closing of barber shops on Sunday.

When this bill was brought up for consideration in the last session, I objected to the consideration of the Senate bill, which, I believe, is more or less of a makeshift. It does not seem to meet the real issue. Throughout the country the trend during the last quarter of a century has been to close barber shops on the Sabbath. Yet the committee, I am told, in order to remove the objection of some Seventh Day Adventists, or other persons, who hold the religious belief that the seventh day should be observed as the Sabbath, have brought in an amendment, which I regard as

more or less of a milksop amendment, providing that the barber shops shall be closed one day in seven.

If we are going to have the barber shops close and if we are to give the artisans and workers employed in barber shops the same privilege that the great mass of artisans enjoy, they should be closed on the Sabbath here, as they are throughout the country. While this bill will enable journeymen barbers to have one day off in seven, it will not enable them to have that day off on the Sabbath, to which they are entitled.

If we are going to pass any legislation, we should pass the legislation that was embodied in the original House bill as introduced. This idea of simply surrendering to some little cabal who think the Sabbath should be observed on Saturday instead of Sunday, when it is generally accepted all over the country that the Sabbath should be observed on Sunday, is not showing that strength of determination with respect to observance of the Sabbath that should be characteristic of the House of Representatives.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table. A similar House bill was laid on the table.

CONGRESSIONAL AUTOMOBILE TAGS

Mrs. NORTON. Mr. Speaker, I call up the bill (S. 4123) to amend the District of Columbia traffic acts, as amended, and ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

Mr. STAFFORD. Mr. Speaker, I object.

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (S. 4123) to amend the District of Columbia traffic acts, as amended.

The motion was agreed to.

Accordingly, the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (S. 4123), with Mr. Browning in the

The Clerk read the bill as follows:

Be it enacted, etc., That the proviso of paragraph (c), section 6, of the District of Columbia traffic acts, as amended by the act approved February 27, 1931, be, and the same is hereby, amended to read as follows: "Provided, That hereafter congressional tags shall be issued by the commissioners under consecutive numbers, one to each Senator and Representative in Congress, to the elective officers and disbursing clerks of the Senate and the House of Representatives, the attending physician of the Capitol, and the assistant secretaries (one for the majority and one for the minority of the Senate), for their official use, which, when used by them individually while on official business, shall authorize them to park their automobiles in any available curb space in the District of Columbia, except within fire plug, fire house, loading station, and loading platform limitations, and such congressional tags shall not be assigned to or used by others." Be it enacted, etc., That the proviso of paragraph (c), section

Mr. STAFFORD. Mr. Chairman, I ask for recognition. The CHAIRMAN. Does the gentlewoman from New Jersey desire recognition?

Mrs. NORTON. Not at this time, Mr. Chairman. Mr. STAFFORD. Mr. Chairman, I understand this is the last bill that will be called up by the District of Columbia Committee for consideration this afternoon. The Committee on Appropriations is still in session passing upon reporting out the Treasury and Post Office appropriation bills. It is desired that that bill be reported to-day so that the bill may be taken up for consideration on Monday.

The pending bill is of minor consequence, as are many bills that are recommended by the distinguished and hardworking Committee on the District of Columbia. Its only purpose is to extend the congressional-tag privilege to a few appointive officers of the House and Senate, the attending physician, and the assistant secretaries for the majority and minority of the Senate.

Personally, I have never been in strong sympathy with the policy of granting special or preferential distinction to Members of Congress who happen to—not perambulate, but to scurry around the streets of Washington by auto in their departmental work and other affairs. I am not in sympathy with the idea that Members of Congress should have special privileges, but this policy is one that has been established by the Congress.

I have been told that it is urgent to occupy the floor for

15 minutes.

Mr. RICH. Will the gentleman yield?

Mr. STAFFORD. I shall be pleased to yield.

Mr. RICH. Probably if the gentleman did not get some of these privileges, he would spend the 15 minutes running

around town hunting a parking place.

Mr. STAFFORD. Mr. Chairman, this wise remark from the sage Member of Pennsylvania, who is serving his second term here, inclines me to the opinion that he is not very well acquainted with Washington. After he has been here as long as I have, he will come to the conclusion that parking space in Washington is not at a premium, and particularly is not at a premium since we are establishing on the triangle parking spaces which may be available not only to Members of Congress but to the public generally.

There is no real reason why this privilege should be extended to the elective officers and disbursing clerks of the Senate and House of Representatives. It is just a little courtesy we are extending them. For my own part, I know that some of the officers of the House do not receive a large enough salary to have an automobile and their good health is due to the fact that they have not an automobile

to run around the District.

This being general debate, I shall occupy some time in discussing a question of transportation that was brought before the special committee investigating Government competition with private business at its session this morning.

In the remarks that I make I do not intend to anticipate what the report will be so far as the Government going into competition with private business is concerned. I may say that the most engrossing phase of that investigation, so far as I am concerned, has been the effect of the establishment of the Federal barge line on railroad transportation. The Federal barge line, as you know, is a Government instrumentality operated by the Government through a fleet of barges and steamboats between St. Louis and New Orleans, and on the Warrior River from Birmingham to Mobile.

It is the contention of the Government operating staff that the revenue derived from the barge lines on that traffic from St. Louis to New Orleans is self-sustaining but that on the Warrior River and the upper branches of the Mississippi it is not self-sustaining. We have launched on a policy of deepening the channel from 6 to 9 feet on the upper Mississippi from St. Louis to Minneapolis at an expense of \$116,000,000. It was originally a 6-foot channel but, it was claimed by the river interests, was not of sufficient depth to permit large enough barges to operate on a paying basis.

The railroads have suffered by reason of this competition, not only on the Mississippi by the Government-operated line, but on the Ohio, which uses the Mississippi as an adjunct, where private barge lines operate on regular schedules from Louisville to New Orleans and back.

The advocates of the Mississippi Valley deep-water transportation insist that they shall be placed in the same position in the water facilities as if located on a deep-waterway channel—that we should transform the geography of the country from a country that has no water facilities from natural highways into one that has water transportation by artificially developed waterways.

In the testimony given before the committee this morning it was shown that the railroads transported 1,886,000 bales of cotton to New Orleans in 1929, the river traffic was only 336,000, and the truck traffic none. That from August 1 to November 30 of this year the Federal barge lines transported 201,000 bales from Memphis to New Orleans, the other barge lines 54,000, and on the Ouachita and Red

River 46,000 bales, and by truck from all sources 20,755 bales, out of a total entering New Orleans of 859,000 bales.

The citation of these figures shows the inroads made by the barge lines in taking away traffic in this one article from the railroads. The railroads wishing to meet that competition applied to the Interstate Commerce Commission for competitive rates whereby they might regain some of this traffic. The Interstate Commerce Commission last August authorized the railroads to transport cotton from Memphis to New Orleans for 25 cents a hundred, whereas the rate had been \$1. The barge lines protested, saying that that would take away the very substance of their traffic. Upon hearing, the Interstate Commerce Commission approved of the competitive rate and authorized the Illinois Central Railroad and other railroads to transport cotton at the lower rate, which would enable the railroads to gain back some traffic taken by the barge lines.

The railroads come before us and contend that it is not necessary for Congress to expend hundreds of millions of dollars in development of our inland waterways, that they have billions upon billions of investment in railroad facilities which will not have their capacity reached for years to come, and that if the Congress would merely repeal section 4 of the interstate commerce act so as to enable the railroads to grant preferential rates to the coast to traffic originating in the Mississippi Valley, that is, to the Pacific coast, they would be enabled to get traffic, without any expense whatsoever to the taxpayers of the country by way of development of inland waterways.

The question of the long and short haul clause has been before Congress for many years. Back in 1911 it was my privilege to serve on the Committee on Interstate and Foreign Commerce under that great parliamentarian and legislator, Hon. James R. Mann. In fact, that was the only time I ever thought it well to forego going home during the Christmas holidays; but I spent that season in cooperation with Mr. Mann in the drafting of what later was known as the Mann-Elkins Act.

Frome my study of railroad-transportation problems I strongly believe it would be far better for the development of the country if the railroads were privileged to recognize the principle of the long and short haul clause rather than have the Government wet-nurse these interior communities with the idea that they are located on rivers that can be improved to have seaport privileges. Why, representatives from Council Bluffs came before our committee in Chicago and stated they wanted to have the same privilege, so far as water transportation is concerned, as the people of New Orleans and of the Atlantic seaports. The problem is one of transportation economics.

Here is one thing that struck me very forcibly in the testimony presented to the committee yesterday, that it is the big interests, the Standard Oil Co. of Louisiana, the Carnegie Co., the Jones-Laughlin Steel Co. of Pittsburgh, and the sugar-refining companies around New Orleans and Baton Rouge that are availing themselves of these waterways the Government has established, by establishing private lines for the transportation one way of their traffic, and then going into the field to charter by cutthroat rates return cargoes at any price, taking away the traffic from the railroads and also preventing the establishment of private barge lines as common carriers.

We are not here to establish these waterways merely for the benefit of the big interests. We spent more than \$100,000,000 on the Ohio River, and I think I ventured this assertion before, that if you would take the amount of traffic generated on the Ohio and figure up the freight with the rate on the bonded indebtedness, it would have been better for the Government to pay to the respective users of the Ohio the interest rate on the bonds than for the Government to wastefully spend \$100,000,000, and now, in the improvement of the upper Mississippi, \$116,000,000 for traffic in nebulæ.

Mr. DYER. Mr. Chairman, will the gentleman yield? Mr. STAFFORD. Yes.

Mr. DYER. I want to commend the gentleman's remarks and trust that his committee will soon come to the House with a report substantially along the lines of what he has said this morning. I think the people of the country are entitled to a report of that kind and the doing away by Congress of special privileges in transportation, to the detriment of the railroads.

Mr. STAFFORD. There was presented to our attention this morning the annual report for the maintenance of the Missouri River from St. Louis to Kansas City. In 1908 it was estimated that the maintenance cost would be \$137,500. In 1912 it was estimated that the cost of maintenance would be \$500,000. In 1928 they said it would be impracticable to make any estimate. In 1931 they state the estimated cost of maintenance would be \$1,000,000, and in the report of the Chief of Engineers, just issued, at page 1151, they now say the cost of maintenance will be \$2,000,000. Two million dollars in this one instance, to be borne by the taxpayers of the country for traffic that can be readily transported by railroads without any added advantage to the ports by river transportation.

It is recognized generally that the railroads are an established instrumentality of the country and that they must be continued. Are we to starve them by taking away traffic, by subsidizing and wet-nursing canals and streams that were never intended by nature to be navigable streams?

Mr. Chairman, I make these remarks so that the membership may have opportunity to think of these great problems, one of the problems that is confronting your Committee on Competition of Government with Private Business. This is one of the major problems as I see it, not only for the committee to solve but for this Congress and the next Congress to pass upon, because every student of transportation economics knows that we can not by any legislative policy impoverish the railroads so that they go into receiverships or else be Government owned and operated, but that we must consider the railroads as a unit of the transportation system of the country whereby they may be continued to live and their employees be permitted to work.

Mr. SEGER. Will the gentleman yield?

Mr. STAFFORD. I yield.

Mr. SEGER. Is there anything in the report to show why this increased cost is necessary?

Mr. STAFFORD. Undoubtedly the report shows why the estimate has increased. It is merely the vagaries of some Government engineer who has had no experience with business economics. They graduate from West Point and go out into the field. Railroad transportation is a career of itself. The Army engineers simply make their wild estimates and the Congress is misled by them, and we launch ourselves into a Government proposition involving the expenditure of millions upon millions of dollars, and then when we find the real conditions, Congress awakens to the realization that we have a white elephant on our hands.

Mr. Chairman, I reserve the balance of my time.

Mrs. NORTON. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read the bill, as follows:

Be it enacted, etc., That the proviso of paragraph (c), section 6, of the District of Columbia traffic acts, as amended by the act approved February 27, 1931, be, and the same is hereby, amended to read as follows: "Provided, That hereafter congressional tags shall be issued by the commissioners under consecutive numbers, one to each Senator and Representative in Congress, to the elective officers and disbursing clerks of the Senate and the House of Representatives, the attending physician of the Capitol, and the assistant secretaries (one for the majority and one for the minority of the Senate), for their official use, which, when used by them individually while on official business, shall authorize them to park their automobiles in any available curb space in the District of Columbia, except within fire plug, fire house, loading station, and loading platform limitations, and such congressional tags shall not be assigned to or used by others."

Mrs. NORTON. Mr. Chairman, I offer an amendment, which I have sent to the desk.

The Clerk read the amendment, as follows:

Amendment offered by Mrs. Norton: Page 1, line 10, after the word "Representatives," insert the "parliamentarian of the House of Representatives."

The amendment was agreed to.

Mrs. NORTON. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Browning, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill S. 4123, to amend the District of Columbia traffic acts, as amended, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and the bill as amended do pass.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider the vote by which the bill was passed was laid on the table.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. BYRNS, from the Committee on Appropriations, reported the bill (H. R. 13520, Rept. No. 1787), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes, which was read a first and second time and, with the accompanying report, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. THATCHER reserved all points of order on the bill.

#### LEAVE OF ABSENCE

By unanimous consent leave of absence was granted to Mr. Brand of Georgia for an indefinite period on account of illness.

## ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 22 minutes p. m.) the House adjourned until Monday, December 12, 1932, at 12 o'clock noon.

## COMMITTEE HEARINGS

Tentative list of committee hearings scheduled for Monday, December 12, 1932:

RIVERS AND HARBORS

(10.30 a. m.)

Hearings on various subjects.

WAYS AND MEANS

(10 a. m.)

Continue hearings on beer bill.

# EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

785. A letter from the national legislative committee of the Disabled American Veterans of the World War, transmitting a copy of the minutes of the Twelfth National Convention of the Disabled American Veterans, held at San Diego, Calif., June 20–25, 1932 (H. Doc. No. 450), to be printed under authority of Public Resolution 126 of the Seventy-first Congress; to the Committee on World War Veterans' Legislation.

786. A letter from the Secretary of State, transmitting copies of the certificates of the final ascertainment of electors for President and Vice President appointed in the States of Arkansas, Louisiana, and New Hampshire at the

election held in those States on November 8, 1932; to the | REPORTS OF COMMITTEES ON PUBLIC BILLS AND Committee on Election of President, Vice President, and Representatives in Congress.

787. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Honolulu Harbor, Hawaii, authorized by the river and harbor act of July 3, 1930, with illustration; to the Committee on Rivers and Harbors.

788. A letter from the Comptroller General of the United States, transmitting a report and recommendation to the Congress concerning the claim of the Great Falls Meat Co. against the United States with request that you lay the same before the House of Representatives; to the Committee on Claims.

789. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Union River, Me., authorized by the river and harbor act July 3, 1930, with accompanying papers; to the Committee on Rivers and Harbors.

790. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from Chief of Engineers, United States Army, on Big Black River and tributaries, Miss., made under the provision of section 10 of the flood control act of May 15, 1928, together with accompanying papers and illustrations; to the Committee on Flood Control.

791. A letter from the Secretary of War, transmitting a report December 8, 1932, from the Chief of Engineers, United States Army, on Vermilion River, Minn., made under the provisions of House Document No. 308, Sixtyninth Congress, first session, which was enacted into law with modifications in section 1 of the river and harbor act of January 21, 1927, together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

792. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on Sturgeon River, Mich., made under the provisions of House Document No. 308, Sixty-ninth Congress, first session, which was enacted into law with modifications in section 1 of the river and harbor act of January 21, 1927, together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

793. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on preliminary examination and survey of Bayou Lafourche, La., authorized by the river and harbor act approved July 3, 1930, together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

794. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers. United States Army, on Brule River, Minn., made under the provisions of House Document No. 308, Sixty-ninth Congress, first session, which was enacted into law with modifications in section 1 of the river and harbor act of January 21, 1927, together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

795. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on Calcasieu River, Bayou Nezpique, and Bayou Teche, La., made under the provisions of House Document No. 308, Sixty-ninth Congress, first session, which was enacted into law with modifications in section 1 of the river and harbor act of January 21, 1927, together with accompanying papers and illustrations; to the Committee on Rivers and Harbors.

796. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers, United States Army, on Bad River, Wis.; to the Committee on Rivers and Harbors.

797. A letter from the Secretary of War, transmitting a report dated December 8, 1932, from the Chief of Engineers. United States Army, on preliminary examination of Vermilion River, La.; to the Committee on Rivers and Harbors. RESOLUTIONS

Under clause 2 of Rule XIII.

Mr. BYRNS: Committee on Appropriations. H. R. 13520. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes; without amendment (Rept. No. 1787). Referred to the Committee of the Whole House on the state of the Union.

## CHANGE OF REFERENCE

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 13147) granting an increase of pension to Luella E. Macumber, and the same was referred to the Committee on Pensions.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BYRNS: A bill (H. R. 13520) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. WICKERSHAM: A bill (H. R. 13521) to transfer control of Building No. 2 on the customhouse reservation at Nome, Alaska, to the Secretary of the Interior; to the Committee on Public Buildings and Grounds.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 13522) relating to retirement of certain employees of the Government; to the Committee on the Civil Service.

By Mr. WILSON: A bill (H. R. 13523) in reference to land in the Bonnet Carre floodway area; to the Committee on Flood Control.

By Mr. CHAPMAN: A bill (H. R. 13524) to amend section 301 (a) (1) of the emergency relief and construction act of 1932; to the Committee on Roads.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 13525) authorizing the decommissioning of all battleships; to the Committee on Naval Affairs.

By Mr. JONES: A bill (H. R. 13526) to authorize the distribution of Government-owned cotton to the American National Red Cross and other organizations for relief of distress; to the Committee on Agriculture.

By Mr. ARENTZ: A bill (H. R. 13527) for the rehabilitation of the Walker River irrigation project, Nevada; to the Committee on Irrigation and Reclamation.

By Mr. HALL of North Dakota: A bill (H. R. 13528) to authorize the Secretary of Agriculture to adjust debts owing the United States for seed, feed, and crop-production loans; to the Committee on Agriculture.

By Mr. FRENCH: A bill (H. R. 13529) to provide for the rehabilitation of the Crane Creek project (technically known as the Washington County irrigation district), Idaho, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. JOHNSON of Missouri: A bill (H. R. 13530) authorizing and directing the Secretary of Agriculture to extend time of payment of fertilizers, feed, and seed loans made by the Government to farmers for a period not to exceed 12 months at a rate of interest not to exceed 3 per cent; to the Committee on Agriculture.

By Mr. FRENCH: A bill (H. R. 13531) to provide for the rehabilitation of the Lewiston Orchards irrigation project, Nez Perce County, Idaho, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. DOUGHTON: A bill (H. R. 13532) to extend the time for filing claims under the settlement of war claims act of 1928, and for other purposes; to the Committee on Ways and Means.

By Mr. CHAPMAN: A bill (H. R. 13533) to authorize an appropriation of \$50,000,000 for seed loans and advances to farmers in 1933 for the purpose of crop production; to the Committee on Banking and Currency.

By Mr. McREYNOLDS: A bill (H. R. 13534) authorizing the appropriation of funds for the payment of claims to the Mexican Government under the circumstances hereinafter enumerated; to the Committee on Foreign Affairs.

By Mr. SINCLAIR: A bill (H. R. 13535) to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Garrison, N. Dak.; to the Committee on Interstate and Foreign Commerce.

By Mr. FRENCH: A bill (H. R. 13536) to provide for the rehabilitation of irrigation districts as the Rathdrum Prairie project in Idaho, and for other purposes; to the Committee on Irrigation and Reclamation.

By Mr. VINSON of Georgia: Joint resolution (H. J. Res. 500) authorizing the Secretary of the Navy to sell obsolete and surplus clothing at nominal prices for distribution to the needy; to the Committee on Naval Affairs.

By Mr. CONDON (by request): Joint resolution (H. J. Res. 501) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

By Mr. HASTINGS: Joint resolution (H. J. Res. 502) construing the acts of March 19, 1924 (43 Stat. 27), and the act of April 25, 1932 (47 Stat. 137), and for other purposes; to the Committee on Indian Affairs.

# PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BANKHEAD: A bill (H. R. 13537) authorizing the President to transfer and appoint Lieut. (J. G.) Ralph B. McRight, United States Navy, to the grade of passed assistant paymaster, with the rank of lieutenant, in the Supply Corps of the United States Navy; to the Committee on Naval Affairs.

By Mr. BALDRIGE: A bill (H. R. 13538) granting an increase of pension to Frances A. Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 13539) granting a pension to Parrish E. Empey; to the Committee on Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 13540) granting an increase of pension to Margaret A. Kelly; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 13541) for the relief of Peter Umberto Canale; to the Committee on Naval Affairs.

By Mr. CULKIN: A bill (H. R. 13542) for the relief of Elbert Scott; to the Committee on Claims.

By Mr. DOUTRICH: A bill (H. R. 13543) granting a pension to Cora I. Spangler; to the Committee on Invalid Pensions.

By Mr. EVANS of California: A bill (H. R. 13544) granting a pension to Lunette Mayers; to the Committee on Invalid Pensions.

By Mr. HARLAN: A bill (H. R. 13545) granting a pension to Jennie Schonacker; to the Committee on Invalid Pensions. By Mr. HART: A bill (H. R. 13546) granting a pension to

Belle Musgrove; to the Committee on Invalid Pensions. By Mr. LUCE: A bill (H. R. 13547) for the relief of Alvarado Mason; to the Committee on Naval Affairs.

Also, a bill (H. R. 13548) for the relief of Thomas Christopher Quirk; to the Committee on Naval Affairs.

By Mr. McGUGIN: A bill (H. R. 13549) granting an increase of pension to Sarah E. Scovell; to the Committee on Invalid Pensions.

By Mr. McREYNOLDS: A bill (H. R. 13550) for the relief of John T. Farmer; to the Committee on Military Affairs.

Also, a bill (H. R. 13551) for the relief of Elisha M. Levan; to the Committee on Military Affairs.

By Mr. MOBLEY: A bill (H. R. 13552) granting an increase of pension to Leonidas O. Hollis; to the Committee on Pensions.

By Mr. PEAVEY: A bill (H. R. 13553) for the relief of Frederic Foss; to the Committee on Military Affairs.

Also, a bill (H. R. 13554) for the relief of Henry A. Behrens; to the Committee on Military Affairs.

By Mr. THURSTON: A bill (H. R. 13555) granting an increase of pension to Julia A. Browning; to the Committee on Invalid Pensions.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

8805. By Mr. BLAND: Petition of 52 citizens of York County, Va., urging passage of the stop-alien representation amendment to the United States Constitution to cut out the 6,280,000 aliens in this country and count only American citizens when making future apportionments for congressional districts; to the Committee on Immigration and Naturalization.

8806. By Mr. BOYLAN: Resolution adopted by the officers and members of the New York State Ladies' Auxiliary to the New York State Association of Letter Carriers in convention assembled at White Plains, N. Y., petitioning the Congress to repeal the unjust and inequitable economy act; to the Committee on Ways and Means.

8807. By Mr. CONDON: Petition of Mrs. H. K. Bernsten and 93 other citizens of Rhode Island protesting against repeal or modification of existing legislation beneficial to Spanish War veterans, their widows, or dependents; to the Committee on World War Veterans' Legislation.

8808. By Mr. CROWTHER: Petition of Women's Home Missionary Society of Canajoharie, N. Y., urging support of Senate bill 1079 and Senate Resolution 170, relative to the establishment of a Federal motion-picture commission, etc.; to the Committee on Interstate and Foreign Commerce.

8809. Also, petition of Grace Methodist Episcopal Missionary Societies of Schenectady, N. Y., urging support of bill No. 1079 on the Senate Calendar and Senate Resolution No. 170, relative to the establishment of a Federal motion-picture commission, etc.; to the Committee on Interstate and Foreign Commerce.

8810. Also, petition of 2,083 citizens of the thirtieth congressional district of New York, protesting against the return of beer and against any legislative act that would legalize alcoholic liquors stronger than one-half of 1 per cent; to the Committee on the Judiciary.

8811. By Mr. DOUTRICH: Petition of the Twentieth Century Bible Class and the Helping Hand Class, United Brethren Church, Shiremanstown, Pa., and the antibeer rally held in United Brethren Church, Shiremanstown, Pa., protesting against any change of the Volstead Act or the eighteenth amendment to the Constitution; to the Committee on the Judiciary.

8812. By Mr. GARBER: Petition of the members and attendants of the Friends Church, Gate, Okla., urging opposition to modification or repeal of the Volstead Act or the eighteenth amendment; to the Committee on the Judiciary.

8813. Also, petition urging support of Senate bill 4646 and House bill 9891; to the Committee on Interstate and Foreign Commerce.

8814. Also, petition of the Woman's Christian Temperance Union, Mutual, Okla., urging opposition to the beer bill; to the Committee on the Judiciary.

8815. By Mr. HALL of North Dakota: Petition of 80 attendants at Independence Day celebration at Hull, N. Dak., asking for a change in the preamble of the National Constitution; to the Committee on the Judiciary.

8816. By Mr. LUCE: Petition of members of the Woman's Home Missionary Society of the Methodist Episcopal Church of Cambridge, Mass., relating to motion-picture censorship; to the Committee on Interstate and Foreign Commerce.

8817. By Mr. NIEDRINGHAUS: Petition of Mrs. Elbert Cole and 32 other citizens of St. Louis, Mo., protesting against the passage of any measures providing for the manufacture of beer, for the nullification of the Constitution, or against any proposal to repeal the eighteenth amendment; to the Committee on the Judiciary.

8818. By Mr. RUDD: Petition of New York State Ladies' Auxiliary to New York State Association of Letter Carriers, favoring the repeal of the unjust and inequitable economy

act as a step in the direction of restoring prosperity and as an act of simple justice to the underpaid employees of the Government; to the Committee on Ways and Means.

8819. Also, petition of the board of managers of the New York Cotton Exchange, referring to cotton and the war

debts; to the Committee on Ways and Means.

8820. By Mr. SELVIG: Petition of home and school circle, Parent-Teacher Association, of Pelican Rapids, Minn., urging enactment of legislation to regulate motion pictures; to the Committee on Interstate and Foreign Commerce.

8821. By Mr. STEWART: Resolution of the Woman's Home Missionary Society of the Methodist Church of Summit, N. J., favoring the establishment of a Federal motion-picture commission, etc.; to the Committee on Interstate and Foreign Commerce.

8822. By Mr. STULL: Petition of the First Baptist Church, of Barnesboro, Pa., opposing repeal of the eighteenth amendment and modification of the Volstead Act;

to the Committee on the Judiciary.

8823. Also, petition of Barnesboro Woman's Christian Temperance Union and the Methodist Episcopal Church, Barnesboro, Cambria County, Pa., opposing repeal of the eighteenth amendment and modification of the Volstead Act; to the Committee on the Judiciary.

8824. By Mr. WYANT: Petition of D. Ray Murdock, M. D., Hugh B. Barclay, M. D., and R. E. L. McCormick, M. D., executive committee, medical staff Westmoreland Hospital Association, Greensburg, Pa., urging treatment and care of war veterans in approved general hospitals, and protesting against erection and maintenance of additional veterans' hospitals, and protesting against legislation now in force or contemplated concerning veterans' disability unrelated to war service for the reason that it is unmerited class legislation; to the Committee on World War Veterans' Legislation.

## SENATE

# MONDAY, DECEMBER 12, 1932

(Legislative day of Thursday, December 8, 1932)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

ROBERT B. HOWELL, a Senator from the State of Nebraska, appeared in his seat to-day.

The VICE PRESIDENT. The Senate will receive a message from the House of Representatives.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 3532) to authorize the Commissioners of the District of Columbia to readjust and close streets, roads, highways, or alleys in the District of Columbia rendered useless or unnecessary, and for other purposes.

The message also announced that the House had passed bills of the Senate of the following titles, each with an amendment, in which it requested the concurrence of the Senate:

S. 4023. An act providing for the closing of barber shops one day in every seven in the District of Columbia; and

S. 4123. An act to amend the District of Columbia traffic acts, as amended.

# CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of BENNETT CHAMP CLARK, chosen a Senator from the State of Missouri for the term commencing March 4, 1933, which were ordered to be placed on file and to be printed in the RECORD, as follows:

To the President of the Senate of the United States: This is to certify that on the 8th day of November, 1932, Bennett Champ Clark was duly chosen by the qualified electors of the State of Missouri a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, Henry S. Caulfield, and our seal hereto affixed at Jefferson City, this 6th day of December, A. D. 1932.

HENRY S. CAULFIELD, Governor.

By the governor: [SEAL]

CHARLES U. BECKER, Secretary of State.

Mr. ROBINSON of Arkansas. Mr. President, I present the credentials of the Senator elect from Kansas IMr. McGill, and ask that the same be printed in the Record and placed on file.

The credentials were ordered to be placed on file and printed in the RECORD, as follows:

> STATE OF KANSAS. EXECUTIVE DEPARTMENT.

#### CERTIFICATE OF ELECTION

To the President of the Senate of the United States:

This is to certify that on the 8th day of November, 1932, GEORGE McGILL was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of six

years, beginning on the 4th day of March, 1933.

Witness: His excellency our governor, Harry H. Woodring, and our seal hereto affixed at Topeka, Kans., this 6th day of December,

A. D. 1932.

HARRY H. WOODRING, Governor.

By the governor: [SEAL]

E. A. CORNELL Secretary of State.

#### CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Senator from Michigan [Mr. VANDENBERG] has the floor. Does he yield for that

Mr. VANDENBERG. I yield.

The VICE PRESIDENT. The clerk will call the roll. The Chief Clerk called the roll, and the following Senators answered to their names:

Ashurst	Couzens	Hull	Robinson, Ark.
Austin	Cutting	Johnson	Robinson, Ind.
Bailey	Dale	Kean	Schall
Bankhead	Davis	Kendrick	Schuyler
Barbour	Dickinson	Keyes	Sheppard
Barkley	Dill	King	Shipstead
Bingham	Fess	La Follette	Shortridge
Black	Fletcher	Logan	Smith
Blaine	Frazier	Long	Smoot
Borah	George	McGill	Steiwer
Bratton	Glass	McKellar	Swanson
Broussard	Glenn	McNary	Thomas, Okla.
Bulkley	Goldsborough	Metcalf	Townsend
Bulow	Gore	Moses	Tydings
Byrnes	Grammer	Neely	Vandenberg
Capper	Hale	Norbeck	Wagner
Caraway	Harrison	Nye	Walcott
Carey	Hastings	Oddie	Walsh, Mass.
Cohen	Hatfield	Patterson	Walsh, Mont.
Connally	Hawes	Pittman	Watson
Coolidge	Hayden	Reed	White
Costigan	Howell	Revnolds	

Mr. WAGNER. I desire to announce that my colleague [Mr. COPELAND] is absent to-day because of serious illness in his family.

Mr. SHEPPARD. I wish to announce that the junior Senator from Illinois [Mr. Lewis] is still detained on account of illness.

I also wish to announce that the junior Senator from Mississippi [Mr. Stephens] is also detained by reason of

I also wish to announce that the junior Senator from Montana [Mr. Wheeler] is necessarily detained from the Senate.

Mr. METCALF. I desire to announce that my colleague [Mr. HEBERT] is unavoidably detained.

Mr. LA FOLLETTE. I desire to announce that the Senator from Iowa [Mr. Brookhart] is necessarily absent by reason of illness.

Mr. WALSH of Montana. I desire to announce that my colleague [Mr. Wheeler] is necessarily detained from the Senate by illness.

The VICE PRESIDENT. Eighty-seven Senators have answered to their names. A quorum is present.